



August 25, 2014

Item No. 7

**RECOMMENDATION TO ACCEPT AND SUBMIT TO HUD THE CHICAGO HOUSING AUTHORITY'S
SINGLE AUDIT REPORT, FINANCIAL STATEMENT AUDIT AND COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2013**

To the Honorable Board of Commissioners:

RECOMMENDATION

The Audit Committee has reviewed and approved the Chicago Housing Authority's audited financial statements pursuant to Section 3 of the Audit Committee's Charter. It is recommended that the Board of Commissioners accept the attached 2013 Single Audit Report, Financial Statement Audit and Comprehensive Annual Financial Report for the Year Ended December 31, 2013 and grant authorization to submit documents to the United States Department of Housing and Urban Development (HUD) for approval.

The Chief Financial Officer and Finance Division have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL

To ensure the CHA meets established HUD reporting requirements relating to the CHA's Single Audit and Financial Audit as performed by independent auditors.

FUNDING: Not Applicable

GENERAL BACKGROUND

The 2013 Single Audit reports on the Authority's compliance with federal regulations as promulgated its federal funders for major programs. The Authority is required to submit the Single Audit report to HUD by September 30, 2014, nine months after the end of its fiscal year (December 31).

HUD requires public housing authorities to annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles and (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. For the year ended December 31, 2013, the Authority engaged Ernst and Young to audit its results and issues the Comprehensive Annual Financial Report in accordance with HUD requirements. The Authority is required to submit the Financial Statement Audit report to HUD by September 30, 2014, nine months after the end of its fiscal year (December 31).

The Board Action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) regulations.

The Chief Financial Officer and Chief Executive Officer concur with the recommendation to accept and submit to HUD the CHA's Single Audit Report, Financial Statement Audit and Comprehensive Annual Financial Report for the Year ended December 31, 2013.

The Audit Committee recommends the approval of the financial statements and that the Board grants authorization to the Chief Executive Officer to submit same to HUD.

RESOLUTION NO. 2014-CHA-96

WHEREAS, this Board of Commissioners has reviewed the Board Letter dated August 25, 2014 entitled "Recommendation to Accept and Submit to HUD the Chicago Housing Authority's 2013 Single Audit Report, the 2013 Financial Statement Audit and the Comprehensive Annual Financial Report for the Year Ended December 31, 2013, attached hereto;

THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT The Board of Commissioners hereby accepts the Authority's 2013 Single Audit Report; 2013 Financial Statement Audit and Comprehensive Annual Financial Report for the year ended December 31, 2013; and

THAT the Board of Commissioners grants authorization to the Chief Executive Officer or his designee to submit the 2013 Single Audit Report and Financial Statement Audit to the U.S. Department of Housing and Urban Development.



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